

## **Governor's Advisory Commission on Manufactured and Mobile Homes**

### **APPROVED MINUTES OF OCTOBER 26, 2004**

Present: Antonia Bullard (for Caryl Stewart), Stephen Sease, Richard Highter, Jack McCullough (for Karen Richards), David Adams, Sue Clark (for Tom Candon), Erhard Mahnke, Bob McDonald, Karen Horn, Stuart Bennett, Richard Williams

Absent: Ted Wimpey, Elisabeth Kulas, Jim Libby, Peter Heck

Staff: Jim Saudade, Arthur Hamlin

#### **News and announcements**

Jim Saudade convened the meeting at 9:10 a.m. and started discussion by expressing the Department's concern about fuel prices this winter. Richard Williams asked how LIHEAP (Low-income fuel assistance) affects mobile home owners. But he said mobile home park owners (are not impacted much) because they may only heat a pump house. Jack McCullough explained that the State has seen an increase in LIHEAP applications. It's not too late for people to apply; if they apply late they may get reduced benefits.

#### **September 28, 2004 minutes**

The minutes were reviewed and approved, with the suggestion by Karen Horn that initials of last names be used for easier identification.

#### **Committee updates**

Jim Saudade passed out the draft minutes from the Finance and Infrastructure subcommittee meetings and gave a brief summary. The subcommittee meetings were energetic and productive. The last page of the minutes has a list of actions.

#### Financing Issues Subcommittee Report

The Finance issues subcommittee made substantial progress including recommending that a standardized "park-lender" agreement could be developed. Richard Williams asked if this was the lease? Antonia Bullard explained these are agreements between the lender and the mobile home park owner. VHFA's lease works the same way in nonprofit parks. The VDCU has its own "park-lender" agreement that works in any mobile home park.

Jim Saudade said the department will do some research on UCC's (Uniform Commercial Code) because the Finance subcommittee found that UCC's are not effective in Vermont to secure a mobile home loan. The Department will try to find out why.

The Department also said it would get more information about HUD's set-up and anchoring requirements. Erhard Mahnke said he is somewhat familiar with these. Essentially, unless the State adopts more stringent standards by a certain date, HUD will impose their regulations on the State. Antonia Bullard suggested that the Department look at the State of Maine's regulations.

#### Infrastructure Issues Subcommittee Report

Jim Saudade said Bill Billado was a guest at the Infrastructure Issues meeting and was very helpful. If any Commission member knows of someone who would contribute to a meeting, please invite him or her. Bob McDonald said that Bill Conrad from Rural Development would be another good person to invite.

Jim Saudade said there are GIS maps that may show where radioisotopes and arsenic are likely to be found. The department could possibly overlay this with the location of mobile home parks in Vermont to identify likely problems.

Richard Williams said their biggest issue is the cost to the end user on "consecutive public water supplies". Arthur Hamlin said the department's mobile home park database lists 98 mobile home parks with ten or more lots that are on municipal water. Only a few also reported that residents are billed directly by the municipality.

Jack McCullough asked; is the goal to relieve the park owners from testing requirements? Jim Saudade said we aren't sure what the answer is to the problem. He met with a park residents association and they are concerned, because the testing requirements drive up their rent. Metering is another issue. Municipalities don't want to meter mobile homes in parks. Even if the water isn't billed out to residents, ANR can use meters to determine appropriate charges and fees. Meters also encourage conservation. Stuart Bennett said the people who make these decisions, like regulating mobile home parks but not apartment buildings, should meet with the Commission. Jim Saudade said this is a priority of the Administration and he will bring the right people in.

Karen Horn pointed out that ANR changed their definition of public water supply to fifteen connections, but PSB still uses ten (see minutes of Infrastructure subcommittee). She questioned why they are inconsistent. It also appears that private water supplies are not regulated twice. Jack McCullough said that PSB only regulates rates. He is not sure how much overlap there is between the requirements of ANR and PSB.

Richard Williams said that HFI has to pass the water charges to residents plus the cost of hiring someone to read the meters and send bills. But, if the municipality would take over metering, there wouldn't be this additional cost. Stephen Sease asked why towns are so reluctant to take over metering. It could be concern that the condition of the distribution system in the park is not up to the town's standards. Erhard Mahnke added that the town is still responsible for providing the same quality of water. Karen Horn added that another issue is whether the town can expect to recover delinquent water charges, because mobile homes may not sell for enough money. Bob McDonald clarified that this

is through the tax sale process. Jack McCullough and Karen Horn had a brief discussion about whether a town can actually disconnect the water rather than go through tax sale.

Jim Saudade suggested the Commission try to find alternatives to give a comfort level to the town's to encourage them to take over metering, or pursue regulatory relief [for the consecutive systems.] Stuart Bennett said maybe there could be a "stop gap" to limit a town's liability; for example between a master meter reading and individual meters on homes. After additional discussion of these thoughts, Dave Adams suggested perhaps a mobile home park owner could issue an assurance bond to the municipality. The Department said it would list out all the ideas for continued discussion at the next Infrastructure subcommittee meeting.

### **Department hand-outs**

Arthur Hamlin pointed out the various reports and materials on the table for Commission members to take. He is still working on the list of previous Advisory Commission recommendations.

### **Recommendations for State Consolidated Plan**

Arthur Hamlin distributed the current priorities for mobile home parks with the agenda. Jim Saudade explained that the Consolidated Plan Priorities guide about \$13 million in State and Federal money and that the Department takes it seriously. He would like the Commission to submit a statement to the advisory committee by the end of the year.

Jack McCullough explained for those who are not familiar with it that the Department is currently working on a five-year update of the Consolidated Plan. Antonia Bullard commented that it seems like a 'wish list' of many things. Arthur Hamlin said applicants for State grants need to state which priority their project meets. He will send an email with a link to the Consolidated Plan documents.

The following suggestions were made for priorities for Mobile Home Parks:

- Infrastructure and habitability issues
- Affordability
- Problem of small parks (economically inefficient); no one is helped if rent is unaffordable
- Relocation
- Find alternative to CDBG funds for relocation
- Include nonprofits and maybe for profits in new park development
- Make resident-ownership a separate priority
- Technical assistance funding for co-ops
- Elevate priority bullet's #5 and #7 on current list

### **Discussion of Issues: Set Priorities**

Jim Saudade asked for other requests for the next meeting. Richard Highter and Bob McDonald asked for the list of recommendations from the previous advisory commissions. Erhard Mahnke suggested inviting Vermont cooperative people to the next meeting, with Paul Bradley from NHCLF; Cathedral Square, Burlington Community Land Trust, Tri-Park Housing Cooperative; Paul Hill from VCLF. Jim Saudade agreed, but added we want to be sure to be looking at a new model and not dwell on what hasn't worked before.

### **Wrap-up and Scheduling**

The next Commission was scheduled for December 14<sup>th</sup> at 1:00 p.m. The agenda will include minutes and committee updates, but most of the meeting will be devoted to the New Hampshire Community Loan Fund presentation on cooperatives.

Arthur Hamlin will schedule subcommittee meetings via email, and will put the full Commission minutes online on the Department website. DHCA will invite Bill Konrad to the next Infrastructure Subcommittee meeting.

Meeting adjourned at 11:00